

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



**CORRECTED
FISCAL NOTE**

HB 1211 - SB 1667

April 8, 2009

SUMMARY OF BILL: Rewrites but does not substantially change the definition of a project as related to a central business improvement district. This could result in an increased utilization of tax increment financing (TIF) in the City of Jackson.

ESTIMATED FISCAL IMPACT:

On March 3, 2009, we issued a fiscal note indicating *forgone state revenue – exceeds \$100,000, increase local revenue – exceeds \$100,000, and other fiscal impact – it is anticipated that the developer of the property will make payments in lieu of property taxes to the City of Jackson.* Based on additional information received from the Department of Revenue, the fiscal impact of the bill is estimated as follows:

(CORRECTED)

Increase Local Revenue – Exceeds \$100,000

Other Fiscal Impact – It is anticipated that the developer of the property will make payments in lieu of property taxes to the City of Jackson.

Assumptions:

- The City of Jackson's central business improvement district may choose to utilize TIF financing to build a hotel and retail commercial development.
- This development will not occur in the absence of this legislation.
- The development will be built on undeveloped land currently owned by the city. This property is not presently generating any sales or property tax revenue.
- Information is not available concerning the size or dollar value of the proposed development. The amount of any payments in lieu of property taxes therefore cannot reasonably be quantified.

HB 1211 - SB 1667 (CORRECTED)

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/kmc